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FISCAL IMPACT STATEMENT

LS 6882

BILL NUMBER: SB 330

NOTE PREPARED: Dec 26, 2003

BILL AMENDED:

SUBJECT: Assessors Qualifications and Examinations.

FIRST AUTHOR: Sen. Mrvan

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Department of Local Government Finance to enforce the forfeiture of office by an assessor who fails to attain an assessor-appraiser certification, and to provide an appeal process for the certification examination. The bill suspends the forfeiture of office pending completion of an appeal.

Effective Date: July 1, 2004.

Explanation of State Expenditures: Under current law, each county assessor and each elected assessor who has not attained Level II certification must employ at least one certified Level II assessor-appraiser. Additionally, each assessing official must attain Level I certification within one year after taking office and Level II certification within two years after taking office. An assessing official who does not comply forfeits the assessor's or trustee-assessor's office.

The proposal provides that the office forfeiture is suspended pending appeal. The DLGF must enforce the forfeiture and may seek to have the prosecuting attorney file for judgment of ouster of an assessor or trustee-assessor in the county circuit court. The DLGF must also provide for an appeal process for both the Level I and Level II examinations. These provisions will increase administrative costs for the DLGF; however, it is assumed that the DLGF will be able to absorb any additional costs given its current resources.

Background Information: Assessors are currently required to maintain either Level I or Level II certification. The DLGF certifies the assessors. Assessing officials must earn 30 hours of education within a 4-year period to be certified as a Level I assessor. Officials must complete 45 hours of education within a 4-year period to be certified as a Level II assessor. The DLGF offers training and certification at no cost to the assessor.

Education may also be earned at training offered by approved entities. Participants in the training offered by the DLGF are responsible for travel and associated costs which may be paid by the sponsoring governmental unit.

Four counties—Newton, Crawford, Perry, and Union—do not appear to have a Level II assessor-appraiser at the county level. About 460 townships of the 1,008 townships have staff certified at Level II. During the 1995-96 reassessment, 41 counties contracted with private appraisers to conduct the reassessment on a countywide basis which involved 479 of the 1,008 townships. (Approximately 125 vendors are Level II certified.) For 252 townships in 24 counties, all assessing was conducted by local assessors. Some counties and townships used a mixture of private and local assessing. Expenses of the reassessment are paid from the county reassessment fund. During the most recent reassessment, for taxes payable in 2003, 64 counties contracted with vendors to perform some portion of the reassessment function.

The next reassessment will begin in 2007 and must be completed by March 1, 2009. This reassessment will be the basis for taxes payable in 2010.

Explanation of State Revenues:

Explanation of Local Expenditures: Having the DLGF enforce certification requirements could result in an increase in local expenditures for training of assessing officials. Training expenses could include reimbursement for travel and per diem.

The proposal also provides that the DLGF could seek to have the prosecuting attorney file for judgment of ouster in the county circuit court of an assessor or trustee-assessor who has not attained appropriate certification. This provision could increase costs for the prosecuting attorney and the county circuit court. The specific impact of this provision is indeterminable and will depend on state and local action.

Explanation of Local Revenues:

State Agencies Affected: Department of Local Government Finance.

Local Agencies Affected: County assessors, township assessors, and trustee-assessors elected to a new term of office that begins after June 30, 2004.

Information Sources:

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